

Orchard Villa Home Owners Association Annual Meeting Minutes
Grand Center Conference Room, Moab UT
October 18, 2008 – 2 p.m.

Board members present: President Marc Thomas, Vice Presidents Kendra Cook Perkins and Mike Stringham, Treasurer Connie Baty and Secretary Chris Ensworth.

Homeowners present included Hub and Fran Davis, Cheryl Walters, Becky McCormick, Maxine Newell, Mark Murphy, Larell Brox, Bill Perkins, Victoria Fugit, Penny Lawton, Gail Roy, Alan and Lorie Gillette, Joanne Simbeck, Audie Harper, Catherine Shank, Don Leathers, J.D. and Dottie Wilson, Charlie and Diane Mackey, Carol and Al Baer, Judy Turner, JoAnn Simbeck, Victoria Fugit.

Since twenty-one homeowner units were represented in person and proxies represented another 36 homeowner units, a quorum was declared by President Marc Thomas. Connie Baty and Kendra Perkins issued ballots to homeowners for the Board Election as they signed into the meeting.

President Marc Thomas called the meeting to order and introduced members of the Board. Homeowners present introduced themselves.

Connie Baty moved and Chris Ensworth seconded a motion to approve the minutes from the February 2008 Annual Meeting. The motion was approved unanimously.

Treasurer Connie Baty reported the Association had \$18,647 in its operations checking account and \$32,593 in CD's in the Reserve Fund. President Marc Thomas stated the Board had voted to cash \$12,000 in CD's to help pay for the fence repair this year. He added that the Board was projecting out the budget two months before year-end, due to moving the annual meeting to October. He noted that in 2008, the Board had crack sealed the streets, painted door jambs and garage trim, repaired the eastern fence line from 500 West to 400 North, and caulked the pool deck. Vice-President Kendra Perkins summarized the groundskeeping projects undertaken, with particular emphasis on the phased-in sprinkler head re-positioning project.

Marc Thomas said the Board had completed a financial budget and reserve plan thanks to the assistance and expertise of Alan Gillette. He then turned the meeting over to Mr. Gillette who presented a PowerPoint slideshow explaining how the plan had been developed and what it projected for our future financial needs. The plan calculates how much to save every year for annual operations expenses and recurring long-term maintenance, while keeping a \$15,000 minimum reserve balance and including an annual inflation figure of four percent. Mr. Gillette concluded that with the funding plan in place the Association will have well maintained buildings and grounds, less uncertainty about the size of future assessment increases, and minimized the risk of special assessments.

Marc Thomas said the Board would continue to work on the 2009 budget until December and all comments were welcome. The plan will be posted on the Association's website at www.orchardvilla.net and will be mailed to any homeowner requesting it. The proposed 2009 budget projects a 6.8 percent increase in assessments in 2009, raising the two-bedroom units to \$142.42 per month and the three-bedroom units to \$171.47 per month.

The projected operations budget shows \$34,378 for utilities and \$36,020 for maintaining the common area (e.g., lawn mowing, sprinkler maintenance, trimming and replacing trees and bushes). The swimming pool is budgeted for \$10,900.

Expenses for professional services are pegged at \$28,900, including a \$20,000 placeholder for Association insurance and \$6,000 for accounting services. Marc Thomas said the Board had the Association's coverage reviewed this year and planned to increase the total policy coverage and to increase liability coverage on the swimming pool. He said the Board hoped to offset the increased coverage somewhat by increasing the deductible. He also noted the budget proposes that the Association no longer pay for the start-up or shut-down of swamp coolers. He said that while swamp cooler maintenance is the responsibility of homeowners, the Board will still try to schedule a contractor to do the work for homeowners at set times in the spring and fall.

Reserve fund maintenance plans for next year include repairing cracked and settled patio walls and painting and repairing gates on Alberta Court and West Hale Ave. Roofs will be inspected and repaired where necessary. A government-mandated vacuum override will need to be installed before the pool can open in late spring. Mike Stringham said the Board was also planning to add additional leach lines on North Hale Avenue between Buildings 13 & 14 to handle the flood water that pools there during heavy rain storms.

JoAnn Simbeck asked why the proposed budget for accounting had increased to \$6,000 next year, compared to this year. Marc Thomas explained that the Board had only used the accounting services for part of the year. He said next year the Board wanted to use full service accounting, including having the accountant pick up the mail, pay the bills, and mail the assessments as well as keep the books. Carol Baer asked if homeowners were going to vote on the budget proposal. Marc Thomas said the Board would continue to accept comment on the proposed budget until December, but according to the governing documents it was the Board responsibility to establish a balanced budget.

Marc Thomas summarized for the homeowners the updated rules, collection, enforcement and fines policy the Board had developed in the hope everyone would be treated in an equitable manner.

JoAnn Simbeck said a Landscape Committee had been formed to assist and advise homeowners and the Board on appropriate plants and landscaping for our area. She said the goal of the committee was to minimize duplicate effort and to avoid plantings which increase maintenance costs. She said the committee had walked the common area with Utah State Extension Agent Mike Johnson to assess what plantings were appropriate for our area and detect problem plantings. Vicki Fugit said the committee also hopes to develop the common area surrounding the pool with tables and benches, to create a more social space.

The Elections Committee of Connie Baty, JoAnn Simbeck and Gail Roy tabulated ballots for the one three-year trustee position open on the Board. Connie Baty announced Chris Ensworth had won the election receiving 44 votes to 14 cast for Kenny Yama.

Hub Davis asked when the Board was going to improve the 400 North entrance. Vicki Fugit said the landscape committee would look at the area and see what could be done.

The meeting was adjourned.